

Outline of Procedure for Maintaining on Punch Cards the Subsidiary
Records for General Ledger Account No. 610--Compensation Payable

- I. Machine reproduce and interpret daily a duplicate set of all journal punch cards pertaining to the account.
- II. For each punch card representing the total of debits and credits arising in connection with the pay roll, substitute detail cards to be derived as follows:
 - A. Reproduce in the journal punch card form the following data from the payroll punch cards:
 1. Name (columns 13-35)
 2. Employee number (columns 50-54)
 3. Amount (columns 72-80)
 - B. Gang punch in the journal punch card form the following data:
 1. Type (column 1)
 2. Date of journal voucher (columns 2-6)
 3. Journal voucher number (columns 7-12)
 4. Number of pay period involved (columns 48-49)
 5. General ledger account number (columns 57-60)
 6. Control punch to indicate credit amount (column 72)
- III. File and maintain all cards in employee number and date order. Daily additions will be filed manually except that, if desired, the detail cards for each pay roll can be machine filed by transferring the current file with which such cards are to be combined to the Machine Records Branch for this operation.
- IV. At the end of each month the current file of punch cards will be transferred to the Machine Records Branch for the preparation of a trial balance. All cards will be listed and net totals printed for each employee's account as well as a grand total for all accounts.
- V. After reconciliation of the trial balance with the general ledger control account, debit and credit cards will be machine compared with respect to employee number, pay period number and amount, and all offsetting cards will be thus removed from the current file and placed in an inactive one.
- VI. Each monthly trial balance will be preserved as a permanent record of account activity with respect to each employee.

VII. In preparing journal vouchers involving account No. 610, other than those representing a summation of credits arising in connection with the pay roll, it will be necessary to include, in addition to the usual description, the following information:

A. Number of pay period involved (to be punched in columns 48-49)

B. Employee number (to be punched in columns 50-54)

This information will not be printed on the daily distribution journal because of machine limitations but will be used in processing and maintaining the cards which will constitute the detail record of account No. 610.

VIII. Conversion of the present subsidiary records for account No. 610 to punch cards will be accomplished as follows:

A. The subsidiary records which at present are posted for only a part of August 1951 will, with the exception of those items arising in connection with pay rolls Nos. 9, 10 and 11 be manually posted through 31 October 1951 and reconciled with the general ledger control account as of that date, allowing for the three unposted pay rolls.

B. After reconciliation, each open item will be coded as to pay period number and each account as to employee number in such manner as to facilitate punching.

C. Manual punching will be completed as soon as practicable.

D. Cards for pay rolls Nos. 9, 10 and 11 will be derived from the payroll punch cards as outlined in paragraph 2.

E. Journal punch cards pertaining to account No. 610 from 1 November to date will be reproduced and the pay period number and employee number will be manually punched into the duplicate cards.

F. At such time as the conversion manual punching operation is completed and the cards machine proven as to amount, all cards will be combined by the Machine Records Branch and a trial balance prepared for reconciliation with the general ledger control account.

Audit Office
20 November 1951